

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
EGYPTIAN NAVIGATION CO.,

Plaintiff,

ECF CASE

08 Civ. 02080 (SHS)

- against -

BAKER INVESTMENTS CORPORATION and
BAKER INTERNATIONAL GROUP,

Defendants.
-----X

**AFFIRMATION OF PHILLIPOS GALLANIS IN SUPPORT OF
MOTION TO VACATE ATTACHMENT**

PHILLIPOS GALLANIS, affirms and states the following under the penalties of perjury under the laws of the United States pursuant to 28 USC § 1746:

1. I am Director with Adora Investments Inc. ("Adora") and have personal knowledge of the matters stated herein. I make this Affirmation in support of the motion to vacate the Rule B maritime attachment.

2. Adora is a Marshal Islands corporation with an office and place of business at 81 Akti Miouli, Piraeus, Greece.

3. In July of 2005, Adora entered into an agreement with Baker Investments Corporation ("BIC") whereby Adora would advance to BIC the sum of \$195,000.00 on terms that \$300,000.00 (the "Debt") would be paid to Adora on or before January 31, 2008. Pursuant to this agreement, Adora advanced \$25,000.00 to BIC in August of 2005, advanced \$130,000.00 in September of 2005, and advanced \$40,000.00 in January of 2006.

4. However, by January 31, 2008, BIC had not repaid any part of the Debt.

5. Therefore, Adora and BIC entered into another agreement whereby BIC assigned its earnings from its sub-charter of the vessel M/V DJEBEL REFAA to Louis Dreyfus Commodities Suisse S.A. ("Louis Dreyfus") to Adora, and further assigned any future earnings from subsequent fixtures of the vessel until the Debt was fully repaid. (A copy of the Deed of Assignment entered into between BIC and Adora on February 22, 2008, is attached as Exhibit A.)

6. I have been advised that on March 3, 2008, Egyptian Navigation Co. ("Egyptian") filed a Verified Complaint against BIC seeking \$279,230.98 in security, and that Egyptian obtained an attachment order against BIC which it has been serving on banks in New York.

7. On March 5, 2008, Adora was advised by BIC that a freight payment in the amount of \$127,755.79 would be wire transferred to Adora by Louis Dreyfus.

8. I understand that on March 5, 2008, the wire transfer was initiated. However, it appears that the wire instructions mistakenly named Baker Investments Corporation as the beneficiary, rather than Adora. Aside from the name of the beneficiary, the rest of the bank account details provided were the correct bank account details for Adora. (A copy of the wire instructions from UBS (Louis Dreyfus' bank) are attached as Exhibit B.)

9. That same day or the following day, corrective instructions were sent by UBS to specify Adora as the beneficiary. (A copy of the corrective instructions is attached as Exhibit C.) However, the corrections came too late as the funds transfer was restrained by Citibank pursuant to the attachment order.

10. Adora is a wholly separate entity from BIC and there is no connection whatsoever between the companies aside from Adora's loan to BIC and BIC's assignment of its sub-charter earnings to Adora.

11. Further, I understand that the dispute involved in Egyptian's lawsuit against BIC regards BIC's March 1, 2006, time charter of the M/V DOMIAT. Adora has nothing whatsoever to do with that vessel or the time charter.

12. Thus, Egyptian's attachment of the \$127,755.79 funds transfer being wired to Adora by Louis Dreyfus, was improper, as those funds had been previously assigned to Adora, and in all fairness the sum of \$127,755.79 attached by Citibank should be released as it is the property of Adora and not BIC.

The foregoing is true and correct to the best of my knowledge under the penalty of perjury under the laws of the United States.

Executed on: March 14th, 2008

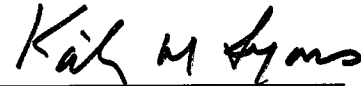

Phillippos Gallanis

CERTIFICATE OF SERVICE

Kirk M. Lyons, an attorney duly admitted to practice before this Honorable Court, affirms on this 17th day of March 2008, I served true copies of the foregoing, by e-mail and ECF notice to:

LAW OFFICES OF RAHUL WANCHOO
Attorneys for Plaintiff
350 Fifth Avenue, 59th Floor
New York, NY 10118

Attn: Rahul Wanchoo, Esq.
rwanchoo@wanchoolaw.com

A handwritten signature in black ink, appearing to read "Kirk M. Lyons", written over a horizontal line.

Kirk M. Lyons

EXHIBIT A

DEED OF ASSIGNMENT

This deed is dated 22nd February 2008 and is made in Piraeus Greece

PARTIES

- (1) Baker Investment Corporation, incorporated and registered in Marshall Islands with a place of business at 5-7 Agios Nikolaos Street Piraeus Greece. (**Assignor**)
- (2) Adora Investments Inc and registered in Marshall Islands, c/o 81 Akti Miouli Piraeus Greece, (**Assignee**)

BACKGROUND

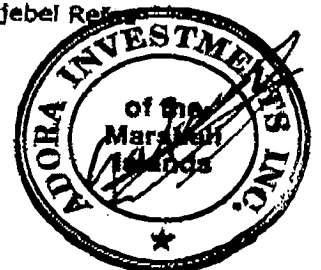
- (A) It was agreed in July 2005 between the Assignor and the Assignee that the Assignee would advance to the Assignor the sum of USD 195,000 (the Advance), in 3 tranches on terms that USD 300,000 (the Debt) would be repaid to the Assignee on or before 31st January 2008.
- (B) The sum of USD 25,000 was advanced in August 2005 by the Assignee to the Assignor, the sum of USD 130,000 was advanced in September 2005 by the Assignee to the Assignor and the sum of USD 40,000 was advanced by the Assignee to the Assignor in January 2006.
- (C) As of 31st January 2008, no part of the Debt had been repaid by the Assignor to the Assignee and the Assignee is unwilling to extend the terms of the Advance. Therefore, for good and valuable consideration the receipt of which is acknowledged, the Assignor has agreed to enter into this assignment to secure prompt payment of the Debt.

AGREED TERMS

1. ASSIGNMENT

The Assignor hereby assigns to the Assignee with full title guarantee irrevocably and absolutely the following property, rights, claims and liberties:

- (a) the sub freights (Earnings) from the sub charter of the vessel Djebel Refaa to Louis Dreyfus estimated to be in the sum of USD 120,000;
- (b) all other sub freights (Sub Freights) from subsequent fixtures of the vessel Djebel Refaa until the Debt has been repaid in full.



2. NOTICE

The Assignor will from time to time give written notice in such form as the Assignee shall require and shall direct that the Earnings shall be paid to the following bank account:

Account Number:

Beneficiary: Adora Investments Inc

Account: 0026.0029.23.1200213642

EFG Eurobank, Ergasias

IBAN: GR28 0260 0290 0002 3120 0213 642

3. FURTHER ASSURANCE

At the request and cost of the Assignor, the Assignor shall, at all times after the date of this deed, do all acts and execute all documents as may be reasonably necessary or desirable to secure the vesting in the Assignee of the Earnings and Sub Freights free from all liens, charges, options, encumbrances or adverse interests of any kind.

4. GOVERNING LAW

3.1 This deed and any disputes or claims arising out of or in connection with its subject matter are governed by and construed in accordance with the law of England.

3.2 The parties irrevocably agree that the courts of England have jurisdiction to settle any dispute or claim that arises out of or in connection with this deed.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

In witness whereof this deed of assignment has been duly executed on this 22nd day of February 2008:

On behalf of the Assignor

Witnessed by:



On behalf of the Assignee:

Witnessed by:



TOSLOUXOU MARIA
FOTIOU KORYTSAS 233
PEIRAIAS

EXHIBIT B

06-Mar-2008

UBS KeyLink

Cash Payment Confirmation

Currency / Amount :	USD 127,755.79	Value Date :	05-Mar-2008
Customer Reference :	LDcoFR010PPW5835	KeyLinkReference :	LDcoFR0117180PPW5835
Date Sent :	05-Mar-2008	Message Priority :	5
Payment Type :	Customer Transfer	Pay Description :	2030070015
Status / Acknowledg. :	Ack3-Instruction Completed		
Beneficiary :	Type / ID ACCOUNT GR28 0260 0290 0002 3120 0213 642	Description / City	BAKER INVESTMENTS CORPORATION PIRAEUS Piraeus Branch Office 5-7 Ag. Nikolaou Street
Bank of Benef. :	SWIFT EFGBGRAAXXX		EFG EUROBANK ERGASIAS S.A. 8, OTHONOS STREET ATHENS
Intermediary :	SWIFT CITIUS33XXX		CITIBANK N.A. 111, WALL STREET NEW YORK
Receiver Corr:	None		
By Order Of ID :			
By Order Of :	/101WA411444000 LOUIS DREYFUS COMM. SUISSE (GRAIN) 29, ROUTE DE L'AEROPORT 1215 GENEVE 15		
Payment Detail :	Narr. INV M V D R NONE NONE NONE		

Ack 3 Ref : SSP TRXM REF: AHSAYHZ8EBM3LP7A
 Busn. Deal ID: US01065KU0517814
 CHPACK:0327901

Status Description :
 Ack. 1 - Instruction sent
 Ack. 2 - Instruction received
 Ack. 3 - Instruction paid / forwarded

EXHIBIT C

06-Mar-2008

UBS KeyLink

Outgoing Message Detail

Manual

Description	: payment ID 2030070015	Related Ref.	:
Reference	: LDcoFR010REKZ836	Origin	: Manual
Swift	: 999 Freeformat		
Status	: Instruction Forwarded	Bank ID	: UBSWUS33XXX
Message to	: Bank	Description	: UBS AG, NEW YORK/STAMFORD, CT 06912-0300
Sender	: LDcoFR01 / OD		
Receiver	:		

Message

Regarding payment ID 2030070015
 value date 05/03/2008
 Amount : 127 755.79
 currency : USD
 debited account : 101WA411444000

Message :
 beneficiary name should be ADORA INVESTMENTS INC
 instead of BAKER INVESTMENT CORPORATION.

Thanks
 regards
 Louis Dreyfus commodities Suisse

Events

Event	User	Date	Description
AX	SYS COMM	06-Mar-2008 16:51	SWFACK on 080306 at 1551
ACK2	SYS COMM	06-Mar-2008 16:51	ACK2 generated by KeyLink KDL.
ACK1	SYS COMM	06-Mar-2008 16:51	Message Ack'd by Bank
Verify V2	JEANDET	06-Mar-2008 16:51	Verification in one step processed
New / Copy	OD	06-Mar-2008 15:44	payment ID 2030070015